

FACT SHEET FOR STATE WASTE DISCHARGE PERMIT ST-7396
NICHOLS BROTHERS BOAT BUILDERS, INC

TABLE OF CONTENTS

INTRODUCTION	3
BACKGROUND INFORMATION	4
DESCRIPTION OF THE FACILITY	4
History.....	4
Industrial Processes.....	5
Treatment Processes.....	7
Distribution System - Infiltration Basin.....	8
GROUND WATER.....	9
SURFACE WATER.....	10
PERMIT STATUS	11
SUMMARY OF COMPLIANCE WITH THE PREVIOUS PERMIT	11
WASTEWATER CHARACTERIZATION.....	12
SEPA COMPLIANCE	13
PROPOSED PERMIT LIMITATIONS.....	13
TECHNOLOGY-BASED EFFLUENT LIMITATIONS.....	14
STORM WATER AND RINSE WATER.....	15
INFILTRATION BASIN EFFLUENT LIMITATIONS.....	17
Human Health	17
GROUND WATER QUALITY-BASED EFFLUENT LIMITATIONS.....	17
COMPARISON OF LIMITATIONS WITH THE EXISTING PERMIT MODIFIED ON DECEMBER 16, 1998.....	18
FINAL INFILTRATION BASIN LIMITS.....	19
MONITORING REQUIREMENTS	19
WASTEWATER MONITORING	19
SOIL MONITORING	20
OTHER PERMIT CONDITIONS	20
REPORTING AND RECORDKEEPING.....	20
OPERATIONS AND MAINTENANCE	20
SOLID WASTE PLAN	21
OVERFLOW DISCHARGE TO HOLMES HARBOR & ADJACENT WETLANDS	21
IN-WATER BEST MANAGEMENT PRACTICES	21
SPILL PLAN	21
GROUND WATER QUALITY EVALUATION (HYDROGEOLOGIC STUDY)	22
UPGRADE OF THE CURRENT WASTEWATER TREATMENT SYSTEM.....	22
ENGINEERING REPORT REQUIRED FOR TREATMENT SYSTEM UPGRADE.....	22
COMPLIANCE SCHEDULE—NEW DESIGN TO MEET WATER QUALITY STANDARDS.....	23
GENERAL CONDITIONS	24
RECOMMENDATION FOR PERMIT ISSUANCE	24
REFERENCES FOR TEXT AND APPENDICES.....	24
APPENDICES	26
APPENDIX A—PUBLIC INVOLVEMENT INFORMATION	26
APPENDIX B—GLOSSARY.....	27
APPENDIX C—SITE MAPS	30
APPENDIX D—RESPONSE TO COMMENTS	34

INTRODUCTION

This fact sheet is a companion document to the draft State Waste Discharge Permit No. ST-7396. The Department of Ecology (the Department) is proposing to issue this permit, which will allow discharge of wastewater to waters of the state of Washington. This fact sheet explains the nature of the proposed discharge, the Department's decisions on limiting the pollutants in the waste water, and the regulatory and technical bases for those decisions.

Washington State law (RCW 90.48.080 and 90.48.162) requires that a permit be issued before discharge of wastewater to waters of the state is allowed. Regulations adopted by the state include procedures for issuing permits (Chapter 173-216 WAC), and water quality criteria for ground waters (Chapter 173-200 WAC). They also establish requirements which are to be included in the permit.

This fact sheet and draft permit are available for review by interested persons as described in Appendix A—*Public Involvement Information*.

The fact sheet and draft permit have been reviewed by the Permittee. Errors and omissions identified in these reviews have been corrected before going to public notice. After the public comment period has closed, the Department will summarize the substantive comments and the response to each comment. The summary and response to comments will become part of the file on the permit and parties submitting comments will receive a copy of the Department's response. The fact sheet will not be revised. Changes to the permit will be addressed in Appendix D—*Response to Comments*.

GENERAL INFORMATION	
Applicant	Nichols Brothers Boat Builders, Inc.
Facility Name and Address	Nichols Brothers Boat Builders, Inc. P. O. Box 580 5400 S. Cameron Road Freeland, WA 98249
Type of Facility	Ship Construction and Repair
Type of Treatment	Settling, filtration, infiltration
Discharge Location	Ground water – adjacent to Holmes Harbor Latitude: 48° 01' 00" N Longitude: 122° 32' 20" W
Legal Description of Application Area	Section, township, range NW ¼ of Section 10, Township 29 N, Range 2 E
Contact at Facility	Bryan Nichols (360) 331-5500
Responsible Official	Kenneth Schoonover Superintendent Sr. Vice President P. O. Box 580, Freeland, WA 98249

BACKGROUND INFORMATION

DESCRIPTION OF THE FACILITY

HISTORY

Nichols Brothers Boat Builders, Inc. (NBBBI) has been operating as a shipyard in Freeland, Washington, since 1964. Historic industrial uses of the property included a saw mill and machine shop which were active in the 1920's through the 1940's. A location map and facility schematic are given in Figures 1 and 2. The 20-acre facility is surrounded by a residential neighborhood. NBBBI employs up to 355 people, and the hours and number of shifts vary depending on the number and production rate of the vessels.

In 1999, NBBBI resurfaced approximately 27,000 square feet of the north end of the yard to provide for a smooth concrete base. At the end of the concrete base on the north end of the yard, a gutter was installed to catch the run-off and convey it to the catch basin. Rocks were placed into the end of the trough leading to the catch basin in order to allow a longer filtering opportunity for the drain-off to settle some of the larger solids. The trough is cleaned out regularly to remove the deposited particulates. This permit requires NBBBI to construct an appropriate barrier to prevent run-on of tidal marine water into the shipyard and in the stormwater collection system.

NBBBI's fabrication and repair work is done inside several movable buildings unless the vessel is too large to be accommodated. The yard is reconfigured with every major new vessel fabricated. The work yard was reconfigured in 2002, 2003, and 2004. Approximately 25,000 square feet of concrete was laid over the southwest corner of the yard. At that time, another gutter was installed from west to east across the center of the yard to capture a large portion of the drain-off and slow down the flow into the catch basin. NBBBI added three 65' x 40' buildings and three 25' x 35' buildings over the past couple of years.

As NBBBI has performed work on vessels which are taller than the enclosed buildings, a Condition has been added under Best Management Practices:

Rooftops of buildings which have the potential for overspray shall be protected by tarping or shall be rinsed following the blasting operation and prior to a rain event. All discharges of wet blasting wastewater shall be collected and disposed of offsite.

Recently, NBBBI purchased a Bobcat power sweeper/vacuum that is used to clean the yard daily, minimizing the solids available to drain into the infiltration basin.

The concrete pad that was poured over most of the yard was also used to accommodate the construction and assembly of the Empress of the North, a 3500-ton, 360-foot sternwheeler. A sectioned railway was constructed, which spanned over 600 feet from the edge of the yard down into the harbor. This railway was disassembled following the launch. The company has fabricated three catamarans, including the X-Craft, a \$60 million Navy prototype 265 feet long with a top speed of 69 mph within the new space. Nichols has launched 450 vessels in the past 40 years.

INDUSTRIAL PROCESSES

At the Freeland site, all aspects of boat and ship repair and construction are performed. The industrial processes involved include fabrication, pressure washing, abrasive blasting, and painting. In a typical year, NBBBI works on two to ten vessels, made almost exclusively of steel or aluminum and include high speed aluminum catamarans, tug boats, barges, sternwheelers, cruise ships, and an occasional fishing vessel. NBBBI works almost exclusively with vessels that are constructed of steel and/or aluminum.

In the construction process, ships, or parts of ships, are fabricated inside one of several buildings on-site. The assembly and finishing work is conducted either in one of the buildings or outside on the paved areas of the facility. Except where the vessel size is prohibitive, sandblasting, and painting of vessels are conducted under a moveable shed or one of the fabrication buildings which provides protection and containment during these operations. NBBBI does not hydroblast or use high pressure washing of hulls. This permit requires NBBBI to confine dust and overspray to construction areas to the maximum extent feasible, including plastic barriers hung from the vessel. Temporary structures around the vessel should be secure and arranged to prevent the fugitive emissions of abrasive grit and dust, as well as effectively capture overspray from spray painting activities. The bottom edge of tarpaulins and plastic sheeting shall be weighted or fastened to remain in place during windy conditions. Rooftops of buildings which have the potential for overspray shall be protected by tarps or shall be rinsed following the blasting operation and prior to a rain event. All discharges of wet blasting wastewater shall be collected and disposed of offsite.

According to the supplemental application, approximately 30 tons of abrasive material is used in a typical year. Sandblasting is propelling a metallic or nonmetallic grit by compressed air to forcibly impinge on the surface being cleaned. Metallic grit includes utility slag, copper slag, or aluminum. The constituents of abrasive blast vary somewhat, but in general their primary components with approximate percentages are: silicon dioxide 20-50%, iron oxide 15-40%, aluminum oxide 0-25%, and calcium oxide 0-25%. These four components comprise from 80 to 99% of the abrasive grit composition. Trace elements in these abrasive grits include: potassium oxide, sodium oxide, copper, titanium, and sulfur. Nonmetallic includes recycled glass of various sizes and sodium bicarbonate. Dryblasting is used to prepare hulls for paints that require a new profile for paint adherence, such as polyethylene or to finish vessel hulls such as the X-Craft. Spent sandblast grit is stored in a completely enclosed building, and the spent grit is disposed of on an as-needed basis by Industrial Services to be recycled.

NBBBI has stated in an updated application received March 2005, that they have modified their sandblasting procedures so that they no longer dry sandblast. They use a process called wet blasting, where water is injected at the nozzle end to eliminate emissions dissipating into the atmosphere. In 2003, they used about 84 tons of sandblasting grit because of a particular vessel. In 2004, a significantly higher amount was used because, instead of painting the X-Craft vessel, they strictly sandblasted. NBBBI stores the sandblast grit in a containment unit in the central southeast part of the yard in a container with five-foot concrete walls, a tin roof, and a 4-inch berm around the sides. Industrial Services picks up spent sandblast grit. This permit prohibits discharge of wet blasting wastewater from discharge to ground or surface waters of the state.

Vessel Transfers

At this time, NBBBI does not have a drydock, railway, or other similar structure to haul out vessels from the water. Instead, NBBBI operates a hydraulically-driven track-tread mounted heavy mover, known as a “crawler.” There is a rock ramp that is used for launching and recovering vessels. NBBBI uses the rock ramp to launch vessels on top of a cradle, which then sits on top of a crawler system that moves the vessel from the shipyard to the water. When vessels are hauled out for repair work, the vessel is placed on the cradle in the water and moved to the shipyard via the crawler system. It is then removed from the cradle and crawler before any repair work is done and then placed on the cradle and crawler for transfer from the shipyard to the water. This system can manage a load of approximately 1500 tons with no restriction on overall length or width as long as the vessel is sufficiently balanced. When not in use, it is stored out of the way in the storage area. Vessel repair and construction type activities are prohibited on or over the cradle, crawler, and railway.

Activities which may **not** be conducted on the cradle, crawler, or railway include:

pressure washing or blasting of hulls, painting and coating of hulls and underbelly of catamarans, engine and propulsion system repair and replacement, hull repair, joinery, bilge cleaning, fuel and lubrication system repair and replacement, welding and grinding of hull, buffing and waxing, marine sanitation device (MSD) repair and replacement, and other activities necessary to maintain a vessel. This definition extends to mobile facilities as well.

Activities which may be conducted on the cradle, crawler or railway include:

engine repair or maintenance within the engine space without vessel haul-out, topside cleaning, detailing and bright work, electronics servicing and maintenance, MSD servicing and repair that do not require haul-out, vessel rigging, minor repairs or modifications to the vessel's superstructure.

Carpentry and finishing work done within the vessel is allowed.

On June 2003, Nichols Brothers constructed and placed an unpermitted 600-foot railway to launch the Empress of the North, a 3500-ton, 360-foot cruise ship. The railway was subsequently pulled. A portable railway is stored on Nichols Brothers' property. As part of the Master Permit submitted to Island County in November 2004, NBBBI has proposed the installation of a permanent rail system almost parallel and east of the current rock ramp. The proposed rail system will extend from the boatyard, across Shoreview Drive, and into Holmes Harbor. The 36-inch-high rails will be supported by 220 (110 per side) 18-inch steel piles spaced at approximately 12-foot intervals along the length of the rail.

Three wastewater streams are generated from the work yard at NBBBI. These include wet blasting wastewater, intermittent process rinse waters (e.g. yard hose down, vessel rinsing), and storm water. Domestic wastewater generated at NBBBI is conveyed separately to an existing onsite drain field. There is no access to a municipal sanitary sewer system in the area.

TREATMENT PROCESSES

Wastewater Streams

Pressure wash wastewater: Pressure washing is only used for equipment cleaning. This is done in an isolated area with a separate collection system and all pressure wash wastewater is hauled.

Each washing event generated approximately zero to 900 gallons (2500 gallons reported in the supplemental application) of waste water. The holding tank for the pressure wash wastewater holds 2500 gallons. Pressure wash water is typically the most contaminated waste stream generated from shipyards. It often contains high levels of suspended solids and total and dissolved metals (copper, lead, zinc, and chromium). NBBBI has not discharged pressure washwater to the infiltration basin since the issuance of the last discharge permit in 1998. Since then, NBBBI has collected and hauled all wastewater generated by pressure washing of hulls off-site to a licensed treatment and disposal facility. This management practice has been considered AKART by the Department. As this technology has been used for the last six years, it is available and reasonable and considered AKART. Discharge of the pressure wash wastewater to the stormwater treatment and subsurface infiltration system or to surface water is prohibited in the permit. Sandblast grit is stored in a containment unit in the central southeast part of the yard. The container has concrete walls up to about five feet, a tin roof and a four-inch berm around the sides, with a sliding metal door. On an as-needed basis, Industrial Services picks up the spent sandblast grit.

NBBBI stated they do not hydroblast or perform high pressure washing of hulls.

Wet blasting wastewater: NBBBI has added water to their abrasive blasting operation. This helps to contain particulates within the construction yard. Wastewater from this waste stream has been characterized at other shipyards as containing similar contaminants as high pressure washwater. AKART for hydroblast and pressure washwater is to collect and haul. This permit prohibits NBBBI from discharging wet blasting wastewater to ground waters of the state.

Rinse water: Process rinsewater is generated from a variety of activities at the NBBBI facility, including yard cleaning, vessel hull wetting for pressure testing, deck and hull cleaning, and crawler rinse down. City water is used for all of these operations. The waste waters generated from these operations are similar in quality to general stormwater runoff from the yard. Rinse water is infiltrated to ground water through the stormwater collection, treatment and infiltration system. This permit allows discharges of process rinse water to the infiltration basin, however, overflows and seeps are prohibited from overflowing the basin and discharging to surface waters of the state.

Storm water: Stormwater runoff is generated from the property as a result of incidental precipitation. Through their Stormwater Pollution Prevent Plan (SWPPP) and Best Management Practices (BMPs), NBBBI has instituted a series of controls to minimize the contamination of stormwater runoff from their industrial activity areas. Stormwater runoff from the paved areas of the yard is collected through a series of catch basins and collection trenches. All fabrication and painting of vessels is done on the paved or covered part of the yard. The area of the yard containing the treatment system is gravel or compact soil. The stormwater runoff from this area either infiltrates directly or is collected in the stormwater collection system. The collected stormwater enters the treatment and infiltration system. This permit requires NBBBI to pave the area surrounding the treatment system.

Treatment System Design

Currently, the basic design of the treatment system includes a treatment vault (holding capacity of 4900 gallons), four 200-micron fabric filters, and an infiltration basin. A schematic drawing of the treatment system can be found in Figure 3. In the treatment vault, grit and heavy solids are removed through sedimentation.

The vault is also equipped with baffles to contain oil in the event of a spill. Bag filters follow the treatment vault to remove filterable suspended solids prior to release into the infiltration basin where soils in the basin further treat the water through filtration and adsorption before it enters the ground water.

A more detailed description of the waste streams and treatment system can be found in the “Engineering Report: Pressure Wash Wastewater/Stormwater Management System, Nichols Brothers Boat Builders, Inc., Freeland, Washington” (Landau, 1997).

In the past NBBBI has experienced stormwater or marine water intrusion into the work yard and the treatment vault. This additional effluent can overload the treatment system and reduce the capacity of the cation-exchange sites in the infiltration basin. NBBBI has installed a pressurized cover for the vault that restricts flow from entering the vault during these tidal events. Consequently, NBBBI has not reported or monitored any marine water intrusions in the last five years. The Department concludes that NBBBI has demonstrated the ability to exclude marine waters from introduction into the treatment vault and system. Intrusion of marine tidal water into the treatment vault and stormwater treatment basin is prohibited as it has not been reported for the last five years and is AKART. Additionally, by the end of January 2005, NBBBI has decided to install ecology blocks with reinforced polypropylene sheeting (60 mil) between them, around the settling vault and drains. To prevent saltwater from entering the settling vaults from the overflow drain pipe, NBBBI will remove or close off the overflow drain. A new overflow pump has been added to the settling vault that pumps storm/rinse water overflow directly to the infiltration pond, bypassing the primary system. The overflow pump is turned on by a float switch at the same water level as the old drain pipe. All bypasses will follow the Conditions of the permit, namely S4, S2D, and S2E. This overflow system will function with an automatic pump tripped by the float switch in the vault. The flow will be metered and tested.

This permit requires upgrading the stormwater treatment facility to accommodate the 10-year, 24-hour storm event. Because this has been achieved for same source categories including other shipyards such as Pacific Fishermen, Hansen, Duwamish Shipyard, Fishing Vessel Owners Marine Ways, Puglia Engineering, and TODD Pacific, the Department has determined this to be AKART. This requirement will minimize pollutants discharging to Holmes Harbor and the adjacent wetlands.

DISTRIBUTION SYSTEM - INFILTRATION BASIN

The infiltration basin at NBBBI was designed as a “water quality infiltration basin” according to the specifications identified in the Stormwater Management Manual for the Puget Sound Basin (Ecology, 1992b). The design specifications for the infiltration basin are included in the approved engineering report entitled, “Engineering Report: Pressure Wash Wastewater/Stormwater

Management System, Nichols Brothers Boat Builders, Inc., Freeland, Washington,” dated March 17, 1995, and amended April 18, 1995. The infiltration basin soil management plan was further modified October 15, 1998. After the waste water is pretreated in the treatment vault and subsequent fabric filter, infiltration is designed to provide additional treatment through soil filtration and cationic exchange prior to the release to subsurface ground waters. Currently, NBBBI has a maximum discharge of approximately 35,200 gallons per day and an average monthly discharge of 22,000 gallons per day. The infiltration basin has a capacity of 120,000 gallons. In the previous permit, NBBBI was not required to monitor ground water following the treatment of the infiltration basin. An AKART analysis conducted by Hart Crowser (1997) for the shipyard industry cautions that performance of media filters may be impacted by varying concentrations of metals in the storm water. The report states, “A filter which has adsorbed large quantities of metals from a stormwater with high metals concentrations at the beginning of a storm may desorb metals when washed by the cleaner stormwater at the end of the storm, decreasing the average removal efficiency of the media.” This permit requires monitoring of oil and grease, pH, cation exchange capacity and infiltration rate within the basin to ensure the proper environment for cation exchange during infiltration of the wastewater. This is consistent with Chapter 7 of the *Stormwater Management Manual for Western Washington*, August 2001. This permit requires NBBBI to update the Soil Management Plan by August 30, 2006. In addition, Condition S7C requires NBBBI to address and characterize waste infiltration basin soils consistent with the updated Solid Waste Control Plan which is due October 31, 2005.

NBBBI has agreed to:

- Change out the existing infiltration pond soils during the summer of 2005;
- Modify the sidewalls of the existing infiltration pond to eliminate seepage and possibly increase the height of the sidewalls to provide additional storage capacity (this is dependent on required permits);
- Pave the north-end of the site in close proximity to the storm and rinse water collection system;
- Install curbing (or similar method) across the north end of the site;
- Add holding capacity for process rinse water and storm water prior to it entering the pretreatment pump filtering system.

GROUND WATER

Originally, the infiltration basin at NBBBI was designed and constructed according to the specifications in the Department of Ecology’s *Stormwater Manual*. This includes providing a vertical distance of at least three feet from the base of the infiltration basin to the seasonal high ground water level. The photographs taken September 2003 during excavation for soil change-out show ponding of water at 24 inches during the dry season. This could either be the result of a mounding of the groundwater table due to infiltration over time or perched water within the sediments of the infiltration basin above the water table. This permit has been modified to be consistent with the 2005 *Stormwater Manual* which recommends a vertical distance of at least 5 feet from the base of the infiltration basin to the seasonal high ground water

level. A hydrogeologic investigation is required in the permit prior to construction of the new treatment system to determine background pollutant concentrations, distance to the groundwater table, characteristics of soils, and direction of groundwater flow.

During permit application, testing was conducted to identify potential pollutants of concern. A test for total dissolved solids exceeded ground water quality standards of 500 mg/L with a resultant value of 2400 mg/L. This permit requires characterization of the effluent which will include sampling for total dissolved solids and chloride.

Until recently, the basin was within 150 feet of the drinking water well for the restaurant directly south of the shipyard property. The restaurant is now pumping water from an upgradient well. Although this is upgradient from the basin, the teabag effect related to tidal influence may occur. The infiltration basin is situated more than 100 feet from NBBBI's domestic drain field. The March 17, 1995, Engineering Report mentions ground water ranges between 0.5 and 2 feet below the preconstruction surface grade with a daily variation of approximately one to two inches, possibly due to tidal fluctuation. This infers connection with tidal surface waters. The 1995 Engineering Report also states, "The shallow gradient direction in this area is toward Holmes Harbor; this gradient direction will remain upon implementation of the infiltration system." In the interim, this permit requires monitoring of the effluent prior to discharging to the infiltration system. For the final limits following construction of the new treatment system, monitoring following treatment will be required to ensure compliance with water quality and technology-based permit limits. This permit requires a hydrogeologic study to evaluate the ground water beneath the current infiltration basin or at a new location. This study should follow the guidance provided in WAC 173-200-080 and the *Implementation Guidance for the Ground Water Quality Standards (Ecology, 1996)*.

SURFACE WATER

Due to the proximity of the shipyard to Holmes Harbor and the hydrogeologic conditions between the infiltration basin and the beach, there are unsubstantiated indications of a discharge to marine waters of Holmes Harbor. The 1995 Engineering Report states: "The shallow ground water aquifer in the direct vicinity of the infiltration basin is potentially impacted by salt water flow into the adjacent wetland areas..." Sometimes during high tide events (June and November 2004) the basin is surrounded on the harbor side by tidal surface water. While the effluent at the point of compliance meets ground water standards for copper, lead, chromium, and zinc, it may not meet surface water quality standards for Class A marine waters. An example is copper, which has a ground water standard of 1000 µg/L and a chronic surface water standard of 3.1 µg/L. Surface water quality standards for heavy metals are more stringent as they are based on the effects related to aquatic organisms which are more sensitive to copper than humans. According to the Department of Fish and Wildlife, the nearshore environment of Holmes Harbor habitat affecting marine organisms includes: Eelgrass, Pacific Herring Spawning Habitat, Pacific Sand Lance Spawning Habitat, Juvenile Salmonid Migration Corridors, and Intertidal Beach Productivity (HPA, December 3, 2002).

EPA has stated on several occasions that discharges to ground water may fall under the requirements of the Clean Water Act where the ground water is hydrologically-connected to nearby surface waters. Court decisions, including *McClellan Ecological Seepage Situation v. Weinberger*, Washington

Wilderness Coalition v. Hecla Mining Co., and Friends of the Coast Fork v. Turner, also support the position that discharges to ground water that effect (are hydrologically-connected to) surface waters may require an NPDES permit. Marine surface water quality standards for chronic conditions would be (in µg/L): chromium - 50, copper - 3.1, lead - 8.1, and zinc - 81.0. These are far lower than the current ground water and performance-based effluent limits (see below). Additionally, seepage from the banks of the infiltration basin into the adjacent wetlands was observed during a field review. In order to protect surface water quality, the Engineering Report will include a barrier prohibiting seeps from the infiltration basin. Pacific Herring spawn along the eelgrass adjacent to this facility and Taylor (1964) notes the eggs are very sticky and sometimes the eggs adhere in great masses to the eelgrass beds and can be dislodged by the turbulence of heavy weather, leading to high mortality. During the launch of the empress there was damage done to the eelgrass beds due to propeller motion from the tugs necessary to dislodge the ship from the mud. (Pritchard 1944 et al) found Pacific Herring to be one of the major fodder animals providing food for Chinook and Coho salmon. WAC 220-110-271 specifically protects migrating juvenile salmonids, surf smelt, and Pacific Herring spawning beds in these areas with timing restrictions for construction. Any activities which may be required for this permit must follow all other permits and regulations.

This State Waste Discharge Permit does not authorize discharges to surface waters of the state.

PERMIT STATUS

The previous permit for this facility was issued on December 8, 1997, subsequently appealed and first modified December 23, 1997. Following a lengthy negotiation period, it was further modified on December 16, 1998, and the appeal was settled with a stipulated agreement.

An application for permit renewal was submitted to the Department on December 16, 1998, and accepted by the Department on June 22, 1999.

On August 16, 1999, NBBBI received a letter stating that because the Department did not issue a permit within the required timeframe, the application was the temporary permit. This letter is normally sent to new permittees that do not already have an issued permit. On March 28, 2002, the Department conducted an inspection at the site. The inspectors mentioned that the wrong letter was sent, and the Department's assumption was that the current permit was still in effect. Regardless, in the permit application it states clearly that any former permit is, by extension, part of the application. This would result in the previous permit remaining in effect until a new permit is written.

A new application for a Wastewater Discharge Permit for Discharge of Industrial Wastewater to Ground was submitted December 12, 2003.

SUMMARY OF COMPLIANCE WITH THE PREVIOUS PERMIT

A compliance inspection with sampling was conducted on March 28, 2002. New construction was underway for a ship fabrication building which helps to keep particulates from stormwater entrainment. Some concerns noted were an oily sheen sitting in the infiltration basin and mobile fueling units without proper containment. A grab sample of the water in the pond indicated some treatment within the infiltration basin for copper, lead, and chromium. The pH value was 9 which is outside the permit limit range of 6.5 to 8.5 standard units.

The facility last received an inspection on June 16, 2003. This was the day of the launch of the Empress. June 2003, however, Nichols Brothers constructed and placed an unpermitted 600-foot railway to launch the Empress of the North, a 3500-ton, 360-foot cruise ship. The railway was subsequently pulled. A portable railway is stored on Nichols Brothers' property.

The inspection found a discharge flowing from the treatment vault that was not sampled and had not been reported, both required under the permit. Records related to the operation and maintenance of the infiltration basin had not been kept as required under the permit.

On June 4, 2003, a joint Notice of Penalty and Order was signed involving Gordon White, Program Manager for Shorelands and Environmental Assistance Program (DOE), and Phillip Bakke, Director of Planning and Community Development (Island County). A penalty was issued to NBBBI for \$47,000 for violating RCW90.58.140, 90.58.030, 90.58.210 (2), 90.58.020, WAC 173.27.040 and WAC 220.110.271, when constructing a launch system along the shoreline of Holmes Harbor. In addition, the Army Corps of Engineers and the Washington State Department of Fish and Wildlife issued a stop work order to NBBBI on May 27, 2003. At or around the same time of the construction of the railway system, an email was sent to the Department from NBBBI stating within a supplemental application that NBBBI does not have a drydock, railway, or other structure to make launches and haul out easy. A penalty was issued from the Department for violation of WAC 172.216.070 (6) and Condition G1 of the previous permit. NBBBI has paid the penalty without admitting any wrongdoing.

NBBBI has been monitoring and reporting discharges to the infiltration basin in compliance with the permit. The infiltration basin was changed out in September 2003. The estimated cumulative loading for copper exceeded the estimated capacity for cation exchange by 2%. NBBBI is required to maintain the basin with adequate cation exchange for copper and other metals. This permit will require NBBBI to maintain a minimum cation exchange capacity of 5 meq/100 grams of soil to ensure cation availability to adsorb copper ions. NBBBI has been reporting overflows and recently reported exceedences of surface water quality standards. NBBBI did test the soils in the basin in 2005 with a result of 40 meq/100 grams. This is within the required limit of 5 meq/100 grams of soil.

WASTEWATER CHARACTERIZATION

The concentration of pollutants in the discharge was reported in the permit application and in discharge monitoring reports. The metal concentrations below were reported in the application received December 12, 2003. The proposed wastewater discharge is characterized for the following parameters: Total Recoverable* (TR) - Copper, Zinc, Lead, Chromium, and Oil and Grease. One sample of Total Dissolved Solids resulted in a value of 2400 mg/L. State ground water quality standards are exceeded above 500 mg/L. This permit requires NBBBI to sample for total dissolved solids during this permit cycle. Chloride will also be monitored in the effluent since it may utilize cation exchange sites and cause plugging of the infiltration pores.

As was described in the Industrial Processes section, sandblasting grit, paint, and paint chips are the sources for most of the heavy metal concentrations. Oil and grease originate from spills or spots on the yard which are not sufficiently cleaned up prior to stormwater or rinsewater exposure.

Table 1: Wastewater Characterization Average Concentrations

Parameter (TR*)	Concentration
Copper	80 µg/L
Zinc	332 µg/L
Lead	10.5 µg/L
Chromium	4.1 µg/L
Oil and Grease	5 mg/L

SEPA COMPLIANCE

This permit includes a compliance schedule for design and construction of a stormwater system that will treat the 10-year, 24-hour rainfall event. Prior to construction, all necessary SEPA documents must be signed. The Department has been informed that construction of a railway is expected sometime in 2007. The Department expects to comment on this project during the SEPA process.

PROPOSED PERMIT LIMITATIONS

State regulations require that limitations set forth in a waste discharge permit must be either technology- or water quality-based. Wastewater must be treated using all known, available, and reasonable treatment (AKART) and not pollute the waters of the state. NBBBI shall continue to implement standards approved by the Department. The minimum requirements for the current treatment system to demonstrate compliance with the AKART standard were determined in the engineering report (“Engineering Report: Pressure Wash Wastewater/Stormwater Management System, Nichols Brothers Boat Builders, Inc., Freeland, Washington,” dated March 17, 1995, and amended April 18, 1995), in conformance with the Stormwater Management Manual for the Puget Sound Basin (Ecology, 1992b), and in conformance with *Guidelines for the Preparation of Engineering Reports for Industrial Wastewater Land Application Systems*, May 1993. In addition, the infiltration basin must meet conditions included in the letter dated October 9, 1998, from Foster Wheeler Environmental Corporation regarding “Infiltration Basin Soil Management Plan Stormwater/Wastewater Treatment System, Nichols Brothers Boat Builders, Inc., Freeland, Washington.” NBBBI will be required to implement further designs approved by the Department. The permit also includes limitations on the quantity and quality of the waste water applied to the infiltration basin that have been determined to protect the quality of ground water. Water quality-based limitations are based upon compliance with the ground water quality standards (Chapter 173-200 WAC).

The more stringent of the water quality-based or technology-based limits are applied to each of the parameters of concern. Each of these types of limits is described in more detail below.

TECHNOLOGY-BASED EFFLUENT LIMITATIONS

All waste discharge permits issued by the Department must specify conditions requiring available and reasonable methods of prevention, control, and treatment (AKART) of discharges to waters of the state (WAC 173-216-110).

The revised code of Washington (RCW) includes AKART language in 90.48.520 and 90.54.020.

RCW 90.48.520 states:

In order to improve water quality by controlling toxicants in waste water, the Department of Ecology shall in issuing and renewing state and federal wastewater discharge permits, review the applicant's operations and incorporate permit conditions which require all known, available, and reasonable methods to control toxicants in the applicant's waste water. Such conditions may include, but are not limited to: (1) Limits on the discharge of specific chemicals, and (2) Limits on the overall toxicity of the effluent. The toxicity of the effluent shall be determined by techniques such as chronic or acute bioassays. Such conditions shall be required regardless of the quality of receiving water and regardless of the minimum water quality standards. In no event shall the discharge of toxicants be allowed that would violate any water quality standard, including toxicant standards, sediment criteria, and dilution zone criteria.

90.54.020 includes:

(3) The quality of the natural environment shall be protected and, where possible, enhanced as follows: (b) Waters of the state shall be of high quality. Regardless of the quality of the waters of the state, all wastes and other materials and substances proposed for entry into said waters shall be provided with all known, available, and reasonable methods of treatment prior to entry. Notwithstanding that standards of quality established for the waters of the state would not be violated, wastes and other materials and substances shall not be allowed to enter such waters which will reduce the existing quality thereof, except in those situations where it is clear that overriding considerations of the public interest will be served.

WAC 173-216-110 (1) states:

Any permit issued by the Department shall specify conditions necessary to prevent and control waste discharges into the waters of the state, including the following, whenever applicable:

(a) All known, available, and reasonable methods of prevention, control, and treatment.

The following permit limitations are necessary to satisfy the requirement for AKART:

Nichols Brothers Boat Builders have been collecting and hauling pressure wash wastewater since the issuance of the last permit in 1998. Since this is available and reasonable technology, there is a provision in this permit which prohibits pressure wash wastewater from discharge. This wastewater will not be allowed to discharge into the infiltration basin.

Collecting and hauling of wet blasting wastewater to an off-site location is AKART.

To ensure minimizing oil and grease discharges, the Department will establish an oil and grease effluent limitation of 5 mg/L. This level of control is AKART.

A prohibition of discharges of wastewater from cooking, dish washing, showers, hydrotesting of piping system and portable steaming and hauling off-site is determined to be AKART.

Recycling of solvents on-site or off-site disposal is AKART. Zero discharge from maintenance shops is determined to be AKART.

Bilge and ballast water hauling off-site for treatment is determined to be AKART.

All in-water work is prohibited. Since this permit does not include NPDES coverage for shipyards, NBBBI shall not perform any in-water work which has the potential to pollute surface waters.

Upgrading the stormwater treatment facility to accommodate the 10-year, 24-hour storm event is AKART.

STORM WATER AND RINSE WATER

Storm Water

Technology-based effluent standards for the discharge of metals in storm water have not been established by the Department on an industry-wide basis. However, the Department has reviewed preferable alternatives for the treatment and discharge of storm water from shipyard facilities. The preferred alternatives include discharge to sanitary sewer, settling of solids, enhanced filtration, and on-site infiltration. NBBBI pretreats its storm water by settling and filtration prior to discharging to a cationic exchange infiltration basin.

The technology-based limitations for copper, chromium, lead, and zinc in storm water in this permit were derived from the historic performance for these pollutants at NBBBI after the application of best management practices (BMPs). These performance-based limits are considered technology-based limitations.

Performance-based standards were determined from the record of history of monitoring data for the last five years and summarized in Table 2 below.

Table 2: Technology-based Standards for Rinse/Stormwater

Parameter	Value in µg/L
Oil and Grease	5 mg/L
Total Chromium	130 µg/L
Total Copper	2344 µg/L
Total Lead	113 µg/L
Total Zinc	4293 µg/L

For performance-based limits, the daily maximum effluent limitations were derived from the 95th percentile of the lognormal distribution of the data. The values are higher than the current permit limits as storm water is highly variable, the lognormal transformation of the data determines the limits. This procedure is consistent with processes outlined in the Department's *Permit Writer's Manual* (Ecology, 2002) and the *Technical Support Document for Water Quality-based Toxics Control* published by the Office of Water U.S. EPA.

While these values were based on the last five years of data from Nichols Brothers' current treatment train, Nichols has successfully demonstrated compliance with the limits in the previous permit and due to anti-backsliding regulation, including 40 CFR Part 122.44(l)(1) which states, "...when a permit is reissued interim effluent limitations, standards or conditions must be at least as stringent as the final effluent limitations, standards, or conditions of the previous permit" and WAC 173-200-030(2)(c) "Whenever ground waters are of a higher quality than the criteria assigned for said waters, the existing water quality shall be protected, and contaminants that will reduce the existing quality thereof shall not be allowed to enter such waters, except in those instances where it can be demonstrated to the Department's satisfaction that: (i) An overriding consideration of the public interest will be served; and (ii) All contaminants proposed for entry into said ground waters shall be provided with all known, available, and reasonable methods of prevention, control, and treatment prior to entry"; and 33 USC § 1324 (o) which states "In the case of effluent limitations established on the basis of subsection (a)(1)(B) of this section, a permit may not be renewed, reissued, or modified on the basis of effluent guidelines promulgated under section 1314(b) of this title subsequent to the original issuance of such permit, to contain effluent limitations which are less stringent than the comparable effluent limitations in the previous permit." The Department must enforce the previous permit limits.

These are:

INTERIM EFFLUENT LIMITS: WASTEWATER DISCHARGES TO GROUND

INTERIM EFFLUENT LIMITATIONS FOR GROUND WATER DISCHARGE	
Parameter	Maximum Daily^b
Flow	Report
Oil and Grease	5 mg/L
Chromium TR ^a	50 µg/L
Copper TR ^a	600 µg/L
Lead TR ^a	50 µg/L
Zinc TR ^a	2300 µg/L
pH	Between 6.5 and 8.5
^a Total Recoverable ^b The maximum daily effluent limitation is defined as the highest allowable daily discharge. The daily discharge means the discharge of a pollutant measured during a calendar day.	

The above performance-based limits will be used during this permit cycle until September 30, 2007, in addition to monitoring and evaluating contaminant values prior to reaching ground water. The final effluent standards for stormwater are based on the more stringent of the ground water quality standards and historic performance-based standards. This permit requires NBBBI to perform a hydrogeologic investigation and an engineering report to determine how NBBBI will meet the ground water quality standards at this site.

INFILTRATION BASIN EFFLUENT LIMITATIONS

LIMITATIONS FOR THE INFILTRATION BASIN			
Parameter	Units	Sample Point	Permit Limit
Oil and grease	Visual	Infiltration basin	No visible sheen on infiltration basin
pH	Standard Units	Infiltration basin water	6.5 to 8.5
Infiltration Rate	inches/hour	In-basin test	0.5 to 2.4
Cation exchange capacity	meq/g	Soil test	At least 5 meq/100 g

Above basin effluent limitations are necessary to properly operate and maintain the basin to the maximum degree of pollutant removal deficiency. These limitations are expected to remain in effect throughout the timeline of the permit. Modifications may be made based on new information. Major modifications of the permit require public review prior to issuance of modification.

HUMAN HEALTH

Washington's water quality standards now include 91 numeric health-based criteria that must be considered in permits. These criteria were promulgated for the state by the U.S. EPA in its National Toxics Rule (Federal Register, Volume 57, No. 246, Tuesday, December 22, 1992).

The Department has determined that the applicant's discharge is unlikely to contain chemicals regulated for human health.

GROUND WATER QUALITY-BASED EFFLUENT LIMITATIONS

In order to protect existing water quality and preserve the designated beneficial uses of Washington's ground waters including the protection of human health, WAC 173-200-100 states that waste discharge permits shall be conditioned in such a manner as to authorize only activities that will not cause violations of the ground water quality standards. Drinking water is the beneficial use generally requiring the highest quality of ground water. Providing protection to the level of drinking water standards will protect a great variety of existing and future beneficial uses.

WAC 173-200-030, Antidegradation policy is as follows:

Existing and future beneficial uses shall be maintained and protected and degradation of ground water quality that would interfere with or become injurious to beneficial uses shall not be allowed.

Whenever ground waters are of a higher quality than the criteria assigned for said waters, the existing water quality shall be protected, and contaminants that will reduce the existing quality thereof shall not be allowed to enter such waters, except in those instances where it can be demonstrated to the Department's satisfaction that:

An overriding consideration of the public interest will be served; and all contaminants proposed for entry into said ground waters shall be provided with all known, available, and reasonable methods of prevention, control, and treatment prior to entry.

Applicable groundwater criteria as defined in Chapter 173-200 WAC and in RCW 90.48.520 for this discharge are listed in Table 3 below:

Table 3: Groundwater Quality Criteria

Parameter	Value
Total Chromium	50 µg/L
Total Copper	1000 µg/L
Total Lead	50 µg/L
Total Zinc	5000 µg/L
Total Chloride	250 mg/L
Total Dissolved Solids	500 mg/L
pH	6.5 to 8.5 standard units

*COMPARISON OF LIMITATIONS WITH THE EXISTING PERMIT MODIFIED ON
DECEMBER 16, 1998*

Table 4: Comparison of Previous and Proposed Limits

Parameter	Existing Limits	Proposed Interim Limits	Basis
Total Chromium	50 µg/L	50 µg/L	Tech/WQ
Total Copper	600 µg/L	600 µg/L	Technology
Total Lead	50 µg/L	50 µg/L	Tech/WQ
Total Zinc	2300 µg/L	2300 µg/L	Technology
Total Dissolved Solids	NA	Meet ground water standards by 9/30/07	Tech/WQ
Chloride	NA	Meet ground water standards by 9/30/07	Water Quality
pH	6.5 to 8.5 NTU	6.5 to 8.5 NTU	Water Quality
Oil & Grease	10 mg/L	5 mg/L	Technology
Oil & Grease	None	No visible sheen on infiltr. Basin	Technology
Infiltration rate	None	0.5 to 2.4	Technology
Cation exchange capacity	None	At least 5 meq/100grams soil	Technology

Proposed limits for chromium, copper, lead, and zinc are the same as previously permitted as these values are based on the ability of NBBBI to meet these limits over the last permit cycle. The last permit did not include limits for total dissolved solids or chloride, but these parameters have now been identified as potential sources of pollution and must meet ground water quality standards. This permit includes monitoring to determine whether water quality standards are met prior to discharging to the infiltration basin. NBBBI may also request an alternative point of compliance per WAC 173-200-060(2), providing ground water monitoring wells are installed to assure ground water standards are met at the property boundary. In basin limits are necessary to evaluate the efficiency of the basin and to determine water quality following treatment.

FINAL INFILTRATION BASIN LIMITS

Following characterization of the effluent, and the hydrogeologic study or construction and operation of the new wastewater treatment system, the Department may modify this permit to establish new effluent limits based on AKART or water quality standards (including ambient groundwater characterization), whichever is most stringent.

MONITORING REQUIREMENTS

Monitoring, recording, and reporting are specified to verify that the treatment process is functioning correctly, that groundwater criteria are not violated, and that effluent limitations are being achieved (WAC 173-216-110).

This permit requires the Permittee to monitor the wastewater outfalls on a twice per month schedule consistent with Hansen, Everett Shipyard, Duwamish Shipyard, Fishing Vessel Owners, Marine Ways, Puglia Engineering, and TODD Pacific. Monitoring shall be done following settling and filtration treatment.

The final effluent limitations established in this permit require the effluent quality to meet or exceed the ground water quality standards following final treatment through infiltration. NBBBI is prohibited from discharging pressure wash wastewater.

WASTEWATER MONITORING

The monitoring schedule is detailed in the proposed permit under Condition S2.A, B, C, D, and E. Specified monitoring frequencies take into account the quantity and variability of the discharge, the treatment method, past compliance, significance of pollutants, and cost of monitoring.

Under Special Condition S2.B and C of this permit, NBBBI is required to monitor the efficiency of the infiltration basin. Following the hydrogeologic investigation and the engineering report, NBBBI will construct a new treatment train to meet ground water quality standards and to meet the 10-year, 24-hour design storm. NBBBI is required to follow the Compliance Schedule in Condition S12.

SOIL MONITORING

Monitoring and management of the soil in the infiltration basin is essential to assure success of wastewater treatment and disposal at NBBBI. The soil monitoring program is required as permit Condition S2.C to assess the conformance to these required specifications over time and should be consistent with Chapter 7 in the *Stormwater Management Manual for Western Washington*, 2005.

The basin's metals removal capacity is set forth in the Permittee's Infiltration Basin Soil Management Plan ("Soil Management Plan") submitted to and approved by the Department on October 9, 1998. This plan shall be updated and submitted by August 30, 2006, for approval by the Department and be consistent with the 2005 *Stormwater Management Manual for Western Washington* (Ecology, 2005). The Permittee shall manage the basin soils (e.g., soil removal and replacement, or placement of additional soil) in accordance with the Soil Management Plan. On a quarterly basis, the Permittee shall calculate the estimated mass loading of copper and zinc to the infiltration basin in accordance with Special Condition S2B. The Permittee shall notify the Department of the basin soil management method and timing when the metals loading to the soil reaches 80% of the metals removal capacity of the soil for copper or zinc, whichever occurs first.

Soil removal and replacement shall be conducted during the dry season only (i.e., June 15 to September 30) and following the required monitoring for the quarter. All waste soils shall be sampled and disposed of according to the Approved Solid Waste Plan. The Permittee shall inform the Department of the method and location of disposal of any removed soil. Placement of additional soil shall not reduce the storage capacity necessary to meet the design storm. All new soils added to or used for replacement in the basin shall meet or exceed the 5 meq/100g dry weight soil cation exchange capacity (CEC) design criterion specified in the *Storm Water Management Manual for Western Washington* (Ecology, 2005). All new soils shall be clean fill and not previously exposed to contaminated stormwater runoff from industrial or urban activity. The Permittee shall notify the Department of the source of all new soils.

OTHER PERMIT CONDITIONS

REPORTING AND RECORDKEEPING

The conditions in this permit are based on the authority to specify any appropriate reporting and recordkeeping requirements to prevent and control waste discharges (WAC 173-216-110).

OPERATIONS AND MAINTENANCE

The proposed permit contains Conditions S4 and S5 as authorized under Chapter 173-240-150 WAC and Chapter 173-216-110 WAC. They are included to ensure proper operation and regular maintenance of equipment, and to ensure that adequate safeguards are taken so that constructed facilities are used to their optimum potential in terms of pollutant capture and treatment.

SOLID WASTE PLAN

The Department has determined that the Permittee has a potential to cause pollution of the waters of the state from leachate of solid waste including paint chips, sandblast grit, sludge from solvent still, oil slick socks from trenches and vault, waste cans, etc. This proposed permit requires, under the authority of RCW 90.48.080, that the Permittee update the solid waste plan designed to prevent solid waste from causing pollution of the waters of the state and submit it to the Department. The plan must also be submitted to the local solid waste permitting agency for approval. This is required in permit Condition S7.

OVERFLOW DISCHARGE TO HOLMES HARBOR AND ADJACENT WETLANDS

Prior to conveying rinse water to the infiltration basin NBBBI shall demonstrate to the Department that the basin will not seep or overflow to surface water. All rinse water or commingled stormwater is prohibited from discharging to surface water and will be collected and hauled or otherwise disposed of so as not to discharge to surface water.

In the event of any release of process water to surface waters or drainage ways connected to surface waters, the Permittee shall follow Condition S3E for noncompliance procedures. Upon all overflows, the Permittee shall record the date, time, and duration of the overflow event upon obtaining knowledge thereof (e.g., through the activation of the treatment vault system alarm if the event occurs during nonbusiness hours) and shall verbally report the release to the Department within 24 hours. This includes any storm water or waste water released to the infiltration basin from the treatment vault through the vault overflow pipe or over the spillway in the berm of the infiltration basin. For overflows occurring during business hours, the Permittee shall take one grab sample of the waste water from the vault overflow pipe or spillway and submit it for analysis of all the parameters listed in S2.A (except flow). A written report on the overflow, including the results of the chemical analyses (for overflows occurring during normal business hours) and a detailed description of the cause of the overflow event, shall be submitted to the Department within thirty (30) days of the event or, if samples are taken, with the next monthly monitoring report following receipt of the chemical analyses.

IN-WATER BEST MANAGEMENT PRACTICES

In-water BMP's were deleted as no discharges associated with in-water work are authorized under this permit. In-water refers to sanding, pressure washing, and painting done on a vessel over state waters.

SPILL PLAN

The Permittee has developed a plan for preventing the accidental release of pollutants to state waters and for minimizing damages if such a spill occurs. The proposed permit requires the Permittee to update this plan and submit it to the Department.

GROUND WATER QUALITY EVALUATION (HYDROGEOLOGIC STUDY)

NBBBI is required to meet the interim limits in Condition S1.A in order to ensure compliance with ground water quality criteria. NBBBI shall evaluate the impacts of its activities on ground water quality by completing a scope of work for a ground water quality evaluation study, and a report of study results and ongoing monitoring consistent with permit Conditions S3 and S12. In order to ensure compliance with the anti-degradation standard, ambient ground water quality shall be measured so a comparison between facility effluent and ambient ground water quality can be assessed. Conditions under ground water quality standards per WAC 173-200-050 ((3)(b)(vi)) shall be satisfied.

- A. NBBBI shall submit a scope of work to the Department for a ground water quality evaluation study in conformance with the Compliance Schedule in S12 in the permit and at the proposed wastewater application site, in accordance with WAC 173-200-080. The scope of work will conform to *Chapter 4.0 Hydrogeologic Study, Implementation Guidance for the Ground Water Quality Standards, April 1996*.
- B. Upon approval of the scope of work by the Department, the Permittee shall conduct a study to determine site specific hydrogeologic conditions, quality control protocols, a sampling plan, and sampling protocols. The study shall conform to *Chapter 5.0 Monitoring Plan, Implementation Guidance for the Ground Water Quality Standards, April 1996*.

UPGRADE OF THE CURRENT WASTEWATER TREATMENT SYSTEM

The Permittee shall upgrade the current wastewater treatment system to separate fixed building roof drains and administrative parking lot stormwater from the vault, filtration, and infiltration system. This will decrease the potential for bypass of the filtration system and subsequent overflow to the wetlands.

NBBBI shall construct a barrier to prevent run-on of tidal marine water into the shipyard and in the stormwater collection system.

NBBBI shall increase the storage capacity of their current treatment system to minimize overflows of stormwater. No discharge of process water to surface water is authorized.

These conditions shall follow the Compliance Schedule in permit Condition S12.

ENGINEERING REPORT REQUIRED FOR TREATMENT SYSTEM UPGRADE

The Permittee shall design the wastewater treatment system to meet the ground water quality standards. The new design shall also meet requirements for the 2005 *Stormwater Manual for Western Washington*, with a 10-year, 24-hour design storm. NBBBI shall not increase the industrial stormwater collection area discharges to the old treatment system. The newly designed, approved, and constructed treatment system shall be online before NBBBI is authorized to direct flow from additional work areas to their stormwater treatment systems. The engineered design shall not contribute flow or seeps to Holmes Harbor or the adjacent wetlands except when

precipitation exceeds the 10-year, 24-hour design storm. No later than March 1, 2007, two (2) copies of an approvable engineering report shall be prepared by the Permittee in accordance with WAC 173-240 and Ecology Publication #93-36 *Guidelines for Preparation of Engineering Reports for Industrial Wastewater Land Application Systems* (Ecology, 1993) and submitted to the Department for review and approval.

COMPLIANCE SCHEDULE—NEW DESIGN TO MEET WATER QUALITY STANDARDS

NBBBI must be in compliance with ground water quality standards by September 30, 2007. In order to design the new wastewater treatment system that will eliminate all surface water discharges up to the 10-year, 24-hour design storm, the Permittee shall implement the following compliance schedule:

Short-Term Goals for Water Quality:

Paving of area surrounding current vault and filtration system	September 3, 2005
NBBBI shall construct an appropriate barrier to prevent run-on of tidal marine water into the shipyard and in the stormwater collection system.	September 15, 2005
NBBBI shall increase the storage capacity of the current treatment system to minimize overflows of stormwater to surface water.	September 3, 2005

Long-Term Goals for Water Quality:

Design and construct the new treatment facility per Condition S8, above, with the following schedule:

Hydrogeologic Investigation - scope of work due	September 7, 2005
Initiate study for soils and water table	September 15, 2005
Initial Hydrogeologic Report - Results for soil analysis, water table analysis, and well installation due	November 15, 2005
Monitoring Plan Initiated	November 15, 2005
Study Results Report	December 15, 2006
Submit Final Engineering Report and construction specifications	March 1, 2007
Revise and modify SWPPP and spell out plans	March 15, 2007
Begin construction of new stormwater treatment system and upgradient infiltration system	April 1, 2007
Complete construction of new stormwater treatment system and upgradient infiltration system	September 30, 2007

Construction of the wastewater facility shall conform to an approved "Engineering Stormwater and Process Water Collection and Treatment System Design." Nichols Brothers Boat Builders shall submit to the Department for approval a revised engineering report for any significant change in their treatment technology.

Currently NBBBI is collecting all stormwater from their parking lot and has installed a bioswale.

GENERAL CONDITIONS

General Conditions are based directly on state laws and regulations and have been standardized for all industrial waste discharge to groundwater permits issued by the Department.

Condition G1 requires responsible officials or their designated representatives to sign submittals to the Department. Condition G2 requires the Permittee to allow the Department to access the treatment system, production facility, and records related to the permit. Condition G3 specifies conditions for modifying, suspending, or terminating the permit. Condition G4 requires the Permittee to apply to the Department prior to increasing or varying the discharge from the levels stated in the permit application. Condition G5 requires the Permittee to construct, modify, and operate the permitted facility in accordance with approved engineering documents. Condition G6 prohibits the Permittee from using the permit as a basis for violating any laws, statutes, or regulations. Conditions G7 and G8 relate to permit renewal and transfer. Condition G9 requires the payment of permit fees. Condition G10 describes the penalties for violating permit conditions.

RECOMMENDATION FOR PERMIT ISSUANCE

This proposed permit meets all statutory requirements for authorizing a wastewater discharge, including those limitations and conditions believed necessary to control toxics, and to protect human health and the beneficial uses of waters of the state of Washington. The Department proposes that the permit be issued for five (5) years.

REFERENCES FOR TEXT AND APPENDICES

Beyers, Daniel and Farmer, Michael, 2001. Effects of Copper on Olfaction of Colorado Pikeminnow, Environmental Toxicology and Chemistry, Vol. 20, No. 4, pp. 907-912.

Faulkner, S.P., Patrick Jr., W.H., Gambrell, R.P., May-June 1989. Field Techniques for Measuring Wetland Soil Parameters, Soil Science Society of America Journal, Vol. 53, No. 3.

Hansen, J., Rose, J., Jenkins, R., Gerow, K. and Bergman, H., 1999. Chinook Salmon (*Oncorhynchus tshawytscha*) and Rainbow Trout (*Oncorhynchus mykiss*) Exposed to Copper: Neurophysiological and Histological Effects on the Olfactory System, Environmental Toxicology and Chemistry, Vol. 18, No. 9, pp. 1979-1991.

Hart Crowser, May 7, 1997. Final Report Shipyard AKART Analysis for Treatment of Stormwater, Maritime Environmental Coalition, Seattle, WA, J-4699.

Pritchard, 1944. Food of spring and coho salmon in British Columbia. Fish. Res. Board. Can. Bull. 65: 23 p.

Taylor, 1964. Life history and present status of British Columbia herring stocks. Fish. Res. Board Can. Bull. 143:81 p.

Washington State Department of Ecology, 2001. Stormwater Management Manual for Western Washington, Ecology Publication # 99-11 through 99-15.

Washington State Department of Ecology, 1993. Guidelines for Preparation of Engineering Reports for Industrial Wastewater Land Application Systems, Ecology Publication # 93-36. 20 pp.

Washington State Department of Ecology.

Laws and Regulations (<http://www.ecy.wa.gov/laws-rules/index.html>)

Permit and Wastewater Related Information
(<http://www.ecy.wa.gov/programs/wq/wastewater/index.html>)

Washington State Department of Ecology, 1996. Implementation Guidance for the Ground Water Quality Standards, Ecology Publication # 96-02.

Washington State University, November, 1981. Laboratory Procedures - Soil Testing Laboratory. 38 pp.

U.S. Government Printing Office, 2003. Code of Federal Regulations 40, party 100 to 135, Protection of the Environment.

APPENDICES

APPENDIX A—PUBLIC INVOLVEMENT INFORMATION

The Department has tentatively determined to reissue a permit to the applicant listed on page one of this fact sheet. The permit contains conditions and effluent limitations which are described in the rest of this fact sheet.

Public Notice of Application (PNOA) was published on September 4, 2001, and September 11, 2001, in the *Everett Herald* to inform the public that an application had been submitted and to invite comment on the reissuance of this permit.

The Department published a Public Notice of Draft (PNOD) on July 14, 2004, and June 8, 2005, in the *Whidbey News Times* to inform the public that a draft permit and fact sheet were available for review. Interested persons were invited to submit written comments regarding the draft permit. The draft permit, fact sheet, and related documents were available for inspection and copying between the hours of 8:00 a.m. and 5:00 p.m. weekdays, by appointment, at the regional office listed below. Written comments were mailed to:

Water Quality Permit Coordinator
Department of Ecology
Northwest Regional Office
3190 – 160th Avenue SE
Bellevue, WA 98008-5452

Any interested party may comment on the draft permit or request a public hearing on this draft permit within the thirty (30)-day comment period to the address above. The request for a hearing shall indicate the interest of the party and reasons why the hearing is warranted. The Department will hold a hearing if it determines there is a significant public interest in the draft permit (WAC 173-216-100). Public notice regarding any hearing will be circulated at least thirty (30) days in advance of the hearing. People expressing an interest in this permit will be mailed an individual notice of hearing.

Comments should reference specific text followed by proposed modification or concern when possible. Comments may address technical issues, accuracy and completeness of information, the scope of the facility's proposed coverage, adequacy of environmental protection, permit conditions, or any other concern that would result from issuance of this permit.

The Department will consider all comments received within thirty (30) days from the date of public notice of draft indicated above, in formulating a final determination to issue, revise, or deny the permit. The Department's response to all significant comments is available upon request and will be mailed directly to people expressing an interest in this permit.

Further information may be obtained from the Department by telephone, 425-649-7201, or by writing to the address listed above.

This permit was written by Donna Ortiz de Anaya.

APPENDIX B—GLOSSARY

Ambient Water Quality--The existing environmental condition of the water in a receiving water body.

Ammonia--Ammonia is produced by the breakdown of nitrogenous materials in waste water. Ammonia is toxic to aquatic organisms, exerts an oxygen demand, and contributes to eutrophication. It also increases the amount of chlorine needed to disinfect waste water.

Average Monthly Discharge Limitation--The average of the measured values obtained over a calendar month's time.

Best Management Practices (BMPs)--Schedules of activities, prohibitions of practices, maintenance procedures, and other physical, structural and/or managerial practices to prevent or reduce the pollution of waters of the state. BMPs include treatment systems, operating procedures, and practices to control: plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw material storage. BMPs may be further categorized as operational, source control, erosion and sediment control, and treatment BMPs.

BOD₅--Determining the Biochemical Oxygen Demand of an effluent is an indirect way of measuring the quantity of organic material present in an effluent that is utilized by bacteria. The BOD₅ is used in modeling to measure the reduction of dissolved oxygen in a receiving water after effluent is discharged. Stress caused by reduced dissolved oxygen levels makes organisms less competitive and less able to sustain their species in the aquatic environment. Although BOD is not a specific compound, it is defined as a conventional pollutant under the federal Clean Water Act.

Bypass--The intentional diversion of waste streams from any portion of the collection or treatment facility.

Compliance Inspection - Without Sampling--A site visit for the purpose of determining the compliance of a facility with the terms and conditions of its permit or with applicable statutes and regulations.

Compliance Inspection - With Sampling--A site visit to accomplish the purpose of a Compliance Inspection - Without Sampling and as a minimum, sampling and analysis for all parameters with limits in the permit to ascertain compliance with those limits; and, for municipal facilities, sampling of influent to ascertain compliance with the 85 percent removal requirement. Additional sampling may be conducted.

Composite Sample--A mixture of grab samples collected at the same sampling point at different times, formed either by continuous sampling or by mixing discrete samples. May be "time-composite" (collected at constant time intervals) or "flow-proportional" (collected either as a constant sample volume at time intervals proportional to stream flow, or collected by increasing the volume of each aliquot as the flow increased while maintaining a constant time interval between the aliquots).

Construction Activity--Clearing, grading, excavation and any other activity which disturbs the surface of the land. Such activities may include road building; construction of residential houses, office buildings, or industrial buildings; and demolition activity.

Continuous Monitoring--Uninterrupted, unless otherwise noted in the permit.

Distribution Uniformity--The uniformity of infiltration (or application in the case of sprinkle or trickle irrigation) throughout the field expressed as a percent relating to the average depth infiltrated in the lowest one-quarter of the area to the average depth of water infiltrated.

Engineering Report--A document, signed by a professional licensed engineer, which thoroughly examines the engineering and administrative aspects of a particular domestic or industrial wastewater facility. The report shall contain the appropriate information required in WAC 173-240-060 or 173-240-130.

Grab Sample--A single sample or measurement taken at a specific time or over as short period of time as is feasible.

Industrial Wastewater--Water or liquid-carried waste from industrial or commercial processes, as distinct from domestic wastewater. These wastes may result from any process or activity of industry, manufacture, trade or business, from the development of any natural resource, or from animal operations such as feed lots, poultry houses, or dairies. The term includes contaminated stormwater and, also, leachate from solid waste facilities.

Maximum Daily Discharge Limitation--The highest allowable daily discharge of a pollutant measured during a calendar day or any 24-hour period that reasonably represents the calendar day for purposes of sampling. The daily discharge is calculated as the average measurement of the pollutant over the day.

Method Detection Level (MDL)--The minimum concentration of a substance that can be measured and reported with 99% confidence that the analyte concentration is above zero and is determined from analysis of a sample in a given matrix containing the analyte.

pH--The pH of a liquid measures its acidity or alkalinity. A pH of 7 is defined as neutral, and large variations above or below this value are considered harmful to most aquatic life.

Quantitation Level (QL)--A calculated value five times the MDL (method detection level).

Soil Scientist--An individual who is registered as a Certified or Registered Professional Soil Scientist or as a Certified Professional Soil Specialist by the American Registry of Certified Professionals in Agronomy, Crops, and Soils or by the National Society of Consulting Scientists or who has the credentials for membership. Minimum requirements for eligibility are: possession of a baccalaureate, masters, or doctorate degree from a U.S. or Canadian institution with a minimum of 30 semester hours or 45 quarter hours professional core courses in agronomy, crops or soils, and have 5,3,or 1 years, respectively, of professional experience working in the area of agronomy, crops, or soils.

State Waters--Lakes, rivers, ponds, streams, inland waters, underground waters, salt waters, and all other surface waters and watercourses within the jurisdiction of the state of Washington.

Stormwater--That portion of precipitation that does not naturally percolate into the ground or evaporate, but flows via overland flow, interflow, pipes, and other features of a stormwater drainage system into a defined surface water body, or a constructed infiltration facility.

Technology-based Effluent Limit--A permit limit that is based on the ability of a treatment method to reduce the pollutant.

Total Coliform Bacteria--A microbiological test which detects and enumerates the total coliform group of bacteria in water samples.

Total Dissolved Solids--That portion of total solids in water or wastewater that passes through a specific filter.

Total Suspended Solids (TSS)--Total suspended solids is the particulate material in an effluent. Large quantities of TSS discharged to a receiving water may result in solids accumulation. Apart from any toxic effects attributable to substances leached out by water, suspended solids may kill fish, shellfish, and other aquatic organisms by causing abrasive injuries and by clogging the gills and respiratory passages of various aquatic fauna. Indirectly, suspended solids can screen out light and can promote and maintain the development of noxious conditions through oxygen depletion.

Water Quality-based Effluent Limit--A limit on the concentration of an effluent parameter that is intended to prevent pollution of the receiving water.

APPENDIX C—SITE MAPS

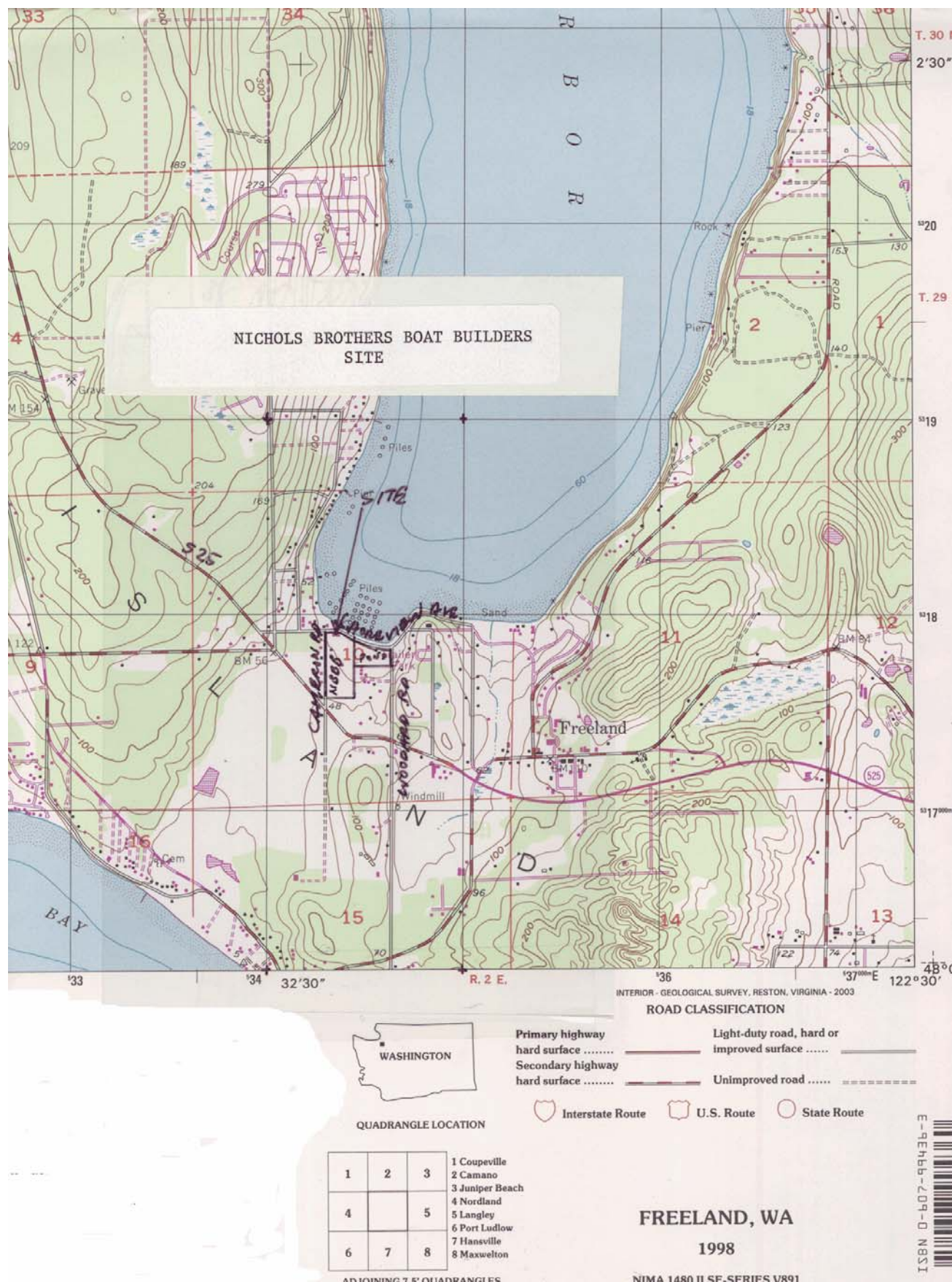


Figure 1.

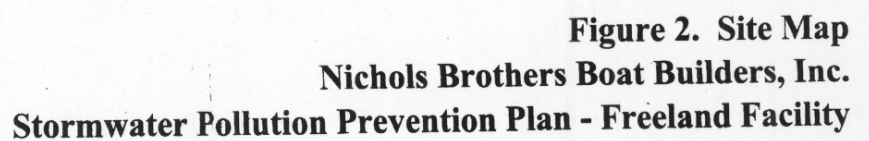


Figure 2.

**ATTACHMENT C.2
PROCESS SCHEMATIC FOR WASTEWATER/STORMWATER MANAGEMENT SYSTEM**

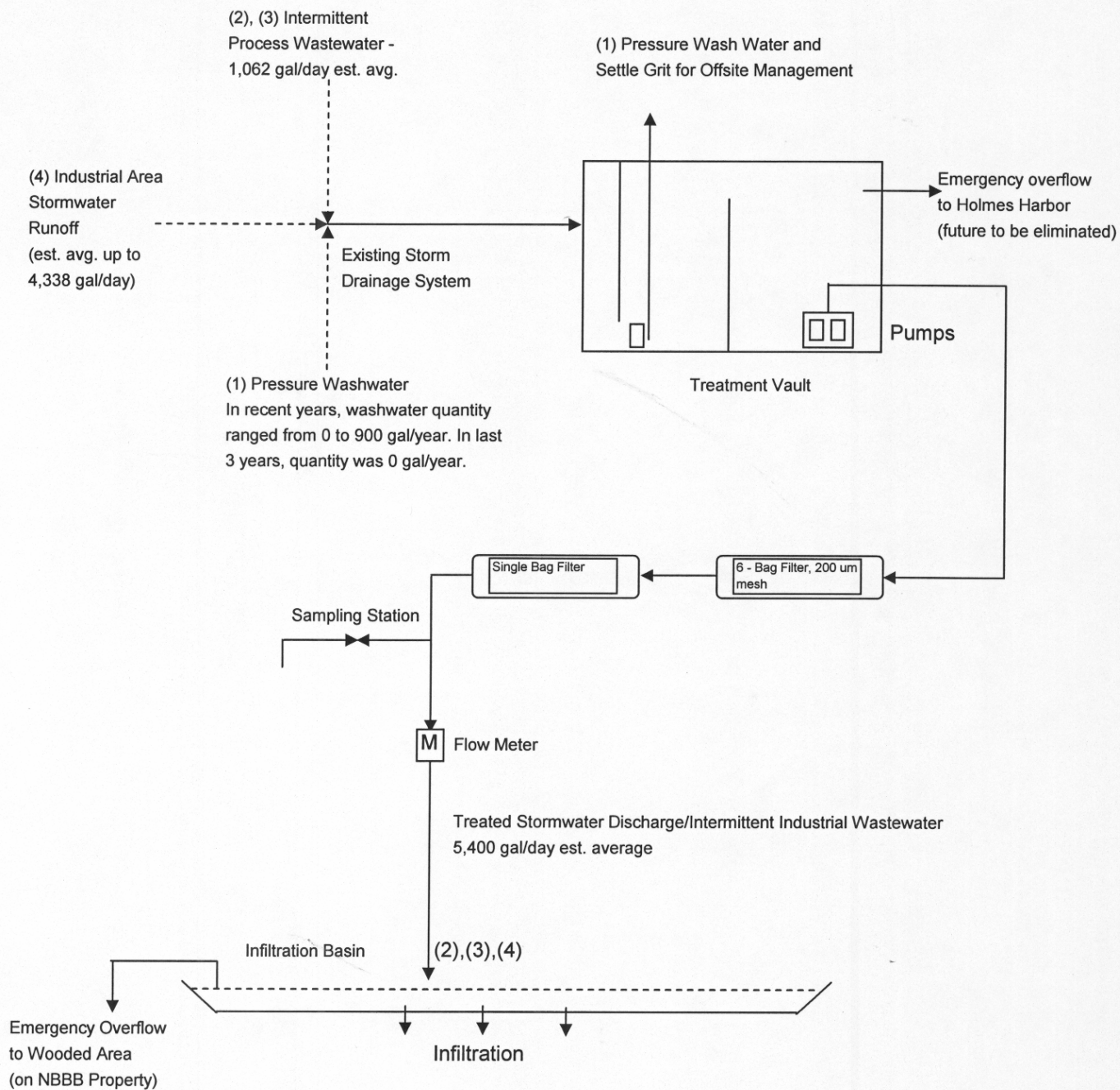


Figure 3.

APPENDIX D—RESPONSE TO COMMENTS

See Responsiveness Summary attachment.